

# INFORMATION LETTER

Not for Publication **NATIONAL CANNERS ASSOCIATION** For Members Only

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## New Set-up on Voluntary Trade Agreement Procedure

Executive orders issued by the President on September 26th set up additional machinery for the development of voluntary trade agreements to replace the NRA codes invalidated by the Schechter case decision, and establish the requirement that labor provisions shall be included in such agreements.

One order delegates to the Federal Trade Commission all authority vested in the President by the resolution extending the National Industrial Recovery Act "to approve such trade practice provisions as are permitted by clause numbered 2 of the proviso of section 2 of said Joint Resolution and submitted in voluntary agreements pursuant to section 4(a) of said title of said Act: Provided, that such approval shall not be given by the Federal Trade Commission unless such agreements contain labor provisions putting into effect the requirements of section 7(a) of the said National Industrial Recovery Act and after such labor provisions have received my approval."

The other executive order creates the office of "Coordinator For Industrial Cooperation," and appoints to that office George L. Berry, who has served in various capacities in the National Recovery Administration. This order authorizes the Coordinator For Industrial Cooperation to supervise conferences of industry, labor and consumers to consider the best means of accelerating industrial recovery, eliminating unemployment, and maintaining business and labor standards; to receive from the Federal Trade Commission for submission to the President the provisions of trade practice agreements; to coordinate and report to the President on matters relating to the appointment, employment, compensation and duties of officers and employees of the National Recovery Administration.

Section 4(a) of the National Industrial Recovery Act, as extended by Congress to April 1, 1936, authorizes the President "to enter into agreements with, and to approve voluntary agreements between and among, persons engaged in a trade or industry, labor organizations, and trade or industrial organizations, associations, or groups, relating to any trade or industry, if in his judgment such agreements will aid in effectuating the policy of this title with respect to transactions in or affecting interstate or foreign commerce."

The work of handling such agreements was turned over to the Federal Trade Commission, which has heretofore dealt only with trade

practices. The new executive order specifically authorizes and requires the Commission to include labor provisions in such agreements and sets up the procedure for handling these provisions through the new office of Coordinator For Industrial Cooperation.

### **The President Answers Queries About N. R. A. Legislation**

Answers to questions asked by press representatives at the President's press conference on September 25th, as reported in the newspapers, indicate that the President sees no need for future legislation reviving codes if industry demonstrates its ability to control chiselers and to operate voluntarily at the level of standards set by the invalidated codes; that research work now being done by agents of the N. R. A. shows that 90 per cent of all industry is abiding by code standards; that the President wants a definite picture of whether chiseling is increasing or decreasing in order to determine whether action should be taken; that he has no idea about legislation continuing the N. R. A., and that the decision will rest on the results of the survey now being made.

### **Present Organization of N. R. A.**

The Association has received inquiries regarding the present organization of the National Recovery Administration, and it is believed the following information will be of interest to all canners.

Under an executive order issued on June 15th of this year to provide for the continuing administration of Title I of the National Industrial Recovery Act, the office of Administrator of the National Recovery Administration was created. The same order established in the National Recovery Administration a Division of Review and a Division of Business Cooperation, as well as an Advisory Council. In addition provision was made for the appointment of an Assistant to the Administrator to represent labor.

As noted in the INFORMATION LETTER for September 14th, an executive order on July 30th created a Consumers' Division, which is a consolidation of the N.R.A. Consumers' Advisory Board with the Consumers' Division of the National Emergency Council and the Cabinet Committee on Price Policy.

The personnel of the N.R.A. organization and of the Division of Review is as follows:

Acting Administrator: L. J. Martin

Assistant to Administrator representing Labor: George L. Berry

Members of Advisory Council: Walton H. Hamilton and Emily Newell Blair, representing the Consumer; William Green and Philip Murray, representing Labor; Charles Edison and Howell Cheney, representing Industry. T. R. Taylor is secretary to the industrial members.

Director, Division of Business Cooperation: Prentiss L. Coonley.  
 Director, Consumers' Division: Walton H. Hamilton  
 Director, Division of Review: Leon C. Marshall  
 Assistant Director: J. E. Hughes  
 Assistant to the Director: C. H. James  
 Administrative and Records Section: E. M. Jeffrey, Chief  
 Industry Studies Section: M. D. Vincent, Coordinator; T. R. Snyder,  
 Associate Coordinator  
 Trade Practice Studies Section: Corwin D. Edwards, Coordinator; Karl  
 Hauck, Labeling  
 Labor Studies Section: A. Howard Myers, Coordinator  
 Code Administration Studies Section: R. M. Gates, Coordinator  
 N.R.A. Organization Studies Section: W. W. Bardsley, Coordinator  
 Foreign Trade Studies Section: H. D. Gresham, Coordinator  
 Special Studies Section: G. C. Gamble, Coordinator  
 Legal Studies Section: George A. McNulty, Coordinator  
 Statistics Section: W. J. Maguire, Chief; O. W. Boyd, Associate Chief  
 Economic Advisor to Director: Willard Sharp  
 Industrial Advisor to Director: Walter White

### Grocery Conference Committee Organized

At a conference of representatives of various organizations in the food and grocery industries held recently in New York City action was taken to create a National Food and Grocery Conference Committee composed of representatives appointed by the following national food and grocery trade associations: National Association of Retail Grocers, Associated Grocery Manufacturers of America, Food and Grocery Chain Stores of America, Voluntary Groups Institute, National Retailer-Owned Wholesale Grocers, National-American Wholesale Grocers Association, and representatives of such additional national food and grocery trade associations as may from time to time be deemed advisable.

The following officers were elected: Chairman, Paul S. Willis (president, Associated Grocery Manufacturers of America); Vice-Chairman, Charles E. Smith (vice-president, National Association of Retail Grocers); Secretary, M. L. Toulme (secretary, National-American Wholesale Grocers Association).

### Use of Stationery, etc., Bearing Blue Eagle

As a result of the item in the INFORMATION LETTER for September 7th regarding the Blue Eagle, inquiries have come to the Association as to whether this order means that canners will not be permitted to use up stocks of stationery, boxes, etc., bearing this emblem. The generally accepted interpretation of the NRA administrative order is that it applies only to future reproductions of the Blue Eagle and does not in any way effect the utilization of existing stocks of stationery, etc.

**A. A. A. Issues Regulations on Marketing Agreement Procedure**

Regulations governing hearings on initiation of adjustment and other programs under Section 8 of the Agricultural Adjustment Act and on procedure in public hearings on marketing agreements and orders, have been announced by the Agricultural Adjustment Administration.

The regulations on programs under Section 8 of the Act state that whenever the Secretary of Agriculture has reason to believe that the current average farm price for any basic agricultural commodity is less than its fair exchange value or that the average farm price is likely to be less than the fair exchange value for the period in which the production of such commodity during the current or next succeeding marketing year is normally marketed, and that under conditions relating to production, marketing, and consumption of such commodity the exercise by the Secretary of any powers conferred upon him by Section 8 of the Act would tend to effectuate the declared policy of the Act, he shall give notice and opportunity for public hearing to interested parties according to definitely stated requirements.

Under regulations for hearings on agreements and orders, no hearing can be held upon a proposed marketing agreement or order until such instrument has been filed in writing with the hearing clerk of the Adjustment Administration. If proposed by persons other than the Secretary, the written application for hearing must be accompanied by at least three copies of the proposed marketing agreement, and, in all cases, copies of the proposed agreement shall be available for inspection at the office of the hearing clerk.

The regulations specify requirements on public notice, appointment of presiding officer, method of conducting the hearing, and proclamations and findings by the Secretary.

**Hearing Scheduled on New Olive Agreement**

The Agricultural Adjustment Administration has announced that a hearing will be held on October 4 and 5 at Berkeley, California, at which will be considered a proposed marketing agreement and order for handlers of olives for canning grown in the State of California.

This new agreement and order would replace a marketing agreement and license which have been in operation since December 13, 1933. An olive committee, representing 80 per cent of the packers and 50 per cent of the growers, has requested the new agreement.

The marketing agreement now in operation provides for minimum prices to growers and minimum resale prices, but under the recently adopted amendments to the Agricultural Adjustment Act neither minimum prices to producers nor resale prices are authorized for inclusion

in orders accompanying agreements. Consequently, a new agreement eliminating these features is considered desirable.

The proposed agreement and order would provide for pack limitation and allocation of salable tonnage to growers as in the present agreement. The salable tonnage allocated to each grower would be evidenced by certificates which would accompany all deliveries to packers. Under the plan under consideration methods of determining the salable tonnage are defined.

The proposed plan divides all olives for canning into two classes, designating certain varieties as "small olives" and the remaining three varieties as "large olives." Each canner would report annually to the control board on a date to be determined the quantity of canned olives and of olives for canning of each class held by him on the first of the month preceding the determined date. Based on its estimates of the year's crop and canners' reports of stocks on hand, the board would compute the available supply, and would also estimate the consumptive demand for the coming year. With these estimates as a basis the board would recommend to the Secretary what portion of each class constitutes a salable tonnage. Growers' production of both large and small olives having been determined by the board and approved by the Secretary, certificates would be issued to each grower for his salable percentage of each class known as his allocated tonnage. This allocated tonnage would bear the same relation to the growers' production that the salable tonnage bears to total production.

A control board of nine members with their alternates would be selected by the Secretary from nominees of various groups, but until July 1, 1936, the following members of the present board would act: H. R. Bell, Reedley, California; C. J. Koopman, Corning; Bert L. Smith, Oroville; D. C. Gifford, San Diego; E. P. Hillborn, Oroville; Earle Houghton, Lindsay; J. M. Glick, Corning; J. V. E. Titus, Riverside; F. R. Wilcox, Berkeley.

The Secretary would select successors to these as follows: 3 from 12 nominated by growers, not canners; 3 from 12 nominated by canners who normally grow at least 50 per cent of the olives they can; 2 from 8 nominees of all other canners; one by nomination of the 8 members as selected above by the Secretary. In election of these nominees by the various groups, grower-canner and canner voting would be on the basis of volume of tonnage canned or purchased for canning that season. Each grower, on the other hand, would be entitled to one vote and co-operative canners may cast the votes of all its members for grower-nominees.

#### **Government Reports on Canning Crops Prospects**

Following are reports from the Bureau of Agricultural Economics on various canning crops based upon conditions as of September 15th:

**Lima Beans**

Based on reported condition and probable yield per acre on September 15th, the prospective production of green lima beans for manufacture is indicated at 15,770 tons, a net decline of about 1 per cent from the 15,940 tons forecast from conditions reported on September 1st. This compares with 17,450 tons produced in 1934 and with an average of 11,870 tons for the 5 years preceding 1934.

State	Acreage		Production	
	Harvested	Planted		Indicated
	1934	1935	1934	1935
	<i>Acres</i>	<i>Acres</i>	<i>Tons</i>	<i>Tons</i>
New Jersey .....	1,800	4,500	1,240	2,810
Delaware .....	7,300	7,300	5,000	3,050
Maryland .....	3,200	3,600	2,160	1,620
Virginia .....	5,500	5,300	4,680	3,980
Michigan .....	2,900	2,940	1,940	1,250
Other States <sup>a</sup> .....	3,850	5,330	2,430	2,460
Total .....	24,550	28,970	17,450	15,770

<sup>a</sup> "Other States" include Colorado, Georgia, Illinois, Indiana, Minnesota, New York, Ohio, Oregon, Pennsylvania, South Carolina, Tennessee, Utah, Washington, and Wisconsin.

**Beets**

Prospective production of canning beets in 1935 is 27 per cent larger than the 1934 production and is 55 per cent above the 5-year average production, according to the September 15th reports on probable yield per acre and condition of the crop on that date. A total production of 51,070 tons is indicated for 1935 compared with 40,200 tons produced in 1934 and with a 5-year average of 33,700 tons for the period 1929-1933. The average yield per acre is about the same as for the 5-year period (1929-1933) and slightly above the 1934 average yield.

State	Acreage		Production	
	1934	1935	1934	Indicated
	<i>Acres</i>	<i>Acres</i>	<i>Tons</i>	<i>Tons</i>
New York .....	2,700	2,580	14,000	15,500
New Jersey .....	300	500	3,000	4,000
Indiana .....	210	360	700	1,440
Michigan .....	550	660	2,800	4,000
Wisconsin .....	1,880	2,480	13,500	17,400
Oregon .....	400	650	1,600	2,300
Other States <sup>a</sup> .....	800	1,250	4,600	6,430
Total .....	6,840	8,480	40,200	51,070

<sup>a</sup> "Other States" include Colorado, Delaware, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Minnesota, Mississippi, Missouri, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Virginia, and Washington.

**Kraut Cabbage**

The indicated production of cabbage for kraut according to the September 15th reported condition and probable yield per acre has declined 5 per cent during the first half of September. A total production of 158,350 tons is in prospect for 1935 compared with 215,700 tons produced in 1934 and 154,100 tons for the 5-year period preceding 1934.

The total of 158,350 tons includes tonnage of kraut cabbage expected from both the contract and open market acreages. Allowances are made for open market acreage and tonnage according to past relationship between contract and open market tonnages and in line with packers' previous reports on the percentage



of total kraut cabbage requirements which they expected to obtain from open market purchases in 1935.

State	Acreage		Production	
	1934 <i>Acres</i>	1935 <i>Acres</i>	1934 <i>Tons</i>	Indicated 1935 <i>Tons</i>
New York .....	8,600	6,000	88,600	57,000
Ohio .....	2,580	1,580	23,500	14,200
Indiana .....	2,600	1,900	14,800	12,500
Illinois .....	860	840	4,000	5,900
Michigan .....	1,280	1,120	11,000	9,500
Wisconsin .....	6,000	4,600	50,800	30,800
Minnesota .....	350	370	2,500	3,000
Colorado .....	420	270	2,700	3,000
Washington .....	550	630	5,200	5,000
Other States <sup>a</sup> .....	1,870	1,580	12,600	11,450
Total .....	25,710	18,890	215,700	158,350

<sup>a</sup> "Other States" include Iowa, Maryland, New Jersey, North Carolina, Oregon, Pennsylvania, Tennessee, Texas, Utah, and Virginia.

### Sweet Corn

According to the September 15th reports on condition and probable yield per acre, prospective production of sweet corn for manufacture declined about 2 per cent from the forecast on September 1st. The September 1st condition of the crop indicates a total production of 883,170 tons for 1935 compared with 495,000 tons in 1934 and with a 5-year average (1929-1933) of 587,000 tons.

The indicated production of 883,170 tons would be equivalent to a pack of about 21,000,000 cases of 24 No. 2 cans of sweet corn, according to the relationship in past years between estimated production and size of the pack. This would be the second highest pack on record, being exceeded only in 1925 when the pack totaled 24,320,000 cases. In 1934, the pack totaled 11,267,897 cases of equivalent cases of No. 2 cans; for the previous 5-year period it averaged 14,428,791 cases.

State	Acreage		Production	
	Harvested 1934 <i>Acres</i>	Planted 1935 <i>Acres</i>	1934 <i>Tons</i>	Indicated 1935 <i>Tons</i>
Maine .....	10,900	14,700	39,200	45,600
New Hampshire .....	700	800	2,200	2,100
Vermont .....	1,050	1,050	2,800	2,100
New York .....	14,600	22,500	33,600	51,800
Pennsylvania .....	5,400	6,750	9,200	11,500
Ohio .....	21,000	28,200	39,900	53,600
Indiana .....	38,500	48,400	50,000	101,600
Illinois .....	63,700	93,000	80,200	241,800
Michigan .....	5,000	5,340	4,500	6,900
Wisconsin .....	11,900	15,200	27,400	31,900
Minnesota .....	47,800	62,700	81,300	137,900
Iowa .....	27,000	49,200	51,300	98,400
Nebraska .....	1,000	5,800	1,200	5,200
Delaware .....	2,400	2,800	6,000	6,700
Maryland .....	29,100	34,500	43,600	58,600
Tennessee .....	2,130	3,100	5,300	7,600
Other States <sup>a</sup> .....	4,540	9,220	8,900	19,670
Total .....	286,720	403,200	495,600	883,170

<sup>a</sup> "Other States" include Colorado, Idaho, Kansas, Kentucky, Missouri, Montana, Oklahoma, Oregon, South Dakota, Utah, Virginia, Washington, and Wyoming.

**Pimientos**

The September 15th reports on the condition of pimientos for canning or manufacture in California and Georgia indicate a probable production of 18,930 tons, compared with 15,770 tons in 1934, and an average for the previous 5-year period (1929-1933) of 13,370 tons.

The average yield per acre is indicated at 1.48 tons for 1935 compared with 1.65 tons produced in 1934 and also the average for the previous 5-year period (1929-1933) of 1.65 tons.

State	Acreage		Production	
	1934	1935	1934	Indicated 1935
	<i>Acres</i>	<i>Acres</i>	<i>Tons</i>	<i>Tons</i>
California .....	1,040	1,370	3,020	4,110
Georgia .....	8,500	11,400	12,750	14,820
Total .....	9,540	12,770	15,770	18,930

**Tomatoes**

Prospective production of tomatoes for manufacture declined about 8 per cent during the first half of September. Adverse weather conditions were widespread; a prolonged rainy spell damaged a large part of the unharvested crop in Delaware, Maryland, New Jersey, and Virginia; ripening of the late set tomatoes in Indiana, Illinois, and Ohio was retarded by cool nights and excessive rains in those States. Production prospects in the Ozark region showed little change from September 1st when effects of hot, dry weather were evident.

A total production of 1,601,440 tons is indicated by the September 15th condition of the crop, compared with 1,405,600 tons produced in 1934, and with the average production for the 5-year period (1929-1933) of 1,309,800 tons. Prospective yield per acre is now below average in practically all important tomato producing States.

State	Acreage		Production	
	1934	1935	1934	Indicated 1935
	<i>Acres</i>	<i>Acres</i>	<i>Tons</i>	<i>Tons</i>
New York .....	15,900	18,500	119,200	144,300
New Jersey .....	30,700	31,800	122,800	143,100
Pennsylvania .....	8,300	10,900	36,500	42,500
Ohio .....	12,300	17,000	82,400	100,300
Indiana .....	83,000	105,600	315,400	316,800
Illinois .....	10,100	14,800	11,100	44,400
Michigan .....	3,150	4,000	17,300	18,800
Iowa .....	4,300	8,200	7,700	23,000
Missouri .....	2,400	27,600	2,400	35,900
Delaware .....	17,000	10,100	45,900	51,600
Maryland .....	61,200	67,700	202,000	180,600
Virginia .....	18,900	23,900	43,500	62,100
Kentucky .....	5,200	7,880	9,400	16,500
Tennessee .....	9,900	10,100	16,200	23,200
Arkansas .....	2,600	27,300	2,600	35,500
Colorado .....	2,750	3,800	12,100	19,800
Utah .....	5,300	6,700	26,000	34,800
California .....	55,330	62,940	282,200	314,700
Other States <sup>a</sup> .....	15,830	20,590	50,900	74,540
Total .....	363,260	488,210	1,405,600	1,601,440

<sup>a</sup> "Other States" include Connecticut, Florida, Georgia, Idaho, Kansas, Louisiana, Minnesota, Mississippi, Nebraska, New Mexico, North Carolina, Oklahoma, Oregon, South Carolina, Texas, Washington, West Virginia, and Wisconsin.



**Imitation Jams and Preserves Under Federal Food and Drugs Act**

The Food and Drug Administration has rescinded that part of its ruling of June 18, 1924, "Labeling of substandard jams, preserves and similar products" regarding the labeling of "compounds" and has prescribed a method of labeling. The notice issued by the Chief of the Food and Drug Administration follows:

Under an informal ruling issued by the Administration June 18, 1924, no regulatory action has been taken against mixtures of fruit and sugar made from less than 45 but more than 25 pounds of fruit to each 55 pounds of sugar, if labeled as compound pectin, sugar and fruit preserve and with the percentages of the ingredients.

During the operation of the code of fair competition for the preserve industry, under the National Industrial Recovery Act such mixtures were and are now almost universally labeled as imitations in accord with the standards of that code. As a result of this practice members of the preserve industry and consumers have come to look upon these products as imitations.

It is the opinion of the Solicitor of the Department that in view of their nature these mixtures are imitation preserves or jams and should be labeled with the word "IMITATION" and in addition with a clear statement indicating wherein they are imitations. Labeling for imitation preserves which will meet the mandate of the law is:

**IMITATION STRAWBERRY PRESERVE**

Prepared from 35 parts fruit to 55 parts sugar,  
with added pectin solution. Not concentrated.

If fruit acid or artificial color is added, the presence of these ingredients should be indicated in the explanatory statement.

That part of the ruling of June 18, 1924, "Labeling of Substandard Jams, Preserves and Similar Products" regarding the labeling of "Compounds," is hereby rescinded.

**Salmon Cannery to Conduct Advertising Campaign**

An advertising campaign for canned salmon, to be in full swing before Lent of the coming year, has been assured by the decision of the Association of Pacific Fisheries and the Northwest Cannery Association to make effective the advertising agreements already signed by members of the industry. A committee of five has been appointed to conduct the campaign consisting of William Timson, A. P. Wolf, H. O. Roberts, D. W. Branch and Vance F. Sutter. Mr. Timson will serve as chairman of the committee, and A. I. Ellsworth has been appointed secretary.

**Annual Report on Alaska Fisheries Issued**

A review of the Alaska fishery and fur seal industries for the year 1934 has been published as Appendix I to the report of the U. S. Commissioner of Fisheries. As in previous years this review furnishes

detailed information on legislation, regulations, and operations of the various fisheries. Copies are obtainable from the U. S. Bureau of Fisheries in Washington.

### **Smaller Japanese Salmon Catch This Year**

Preliminary reports indicate a sharp decline in the 1934 catch of salmon by Japanese companies, according to the American trade commissioner at Tokyo. A recent report of the Tinned Foods Association based on conditions up to August 14th estimates this year's total pack at 1,263,349 cases (the standard case consists of 48 one-pound tins), a drop of 1,027,890 cases from the record 1934 output and 243,056 cases below the 1933 pack. The above figures exclude the catch of chum salmon and steelhead, most of which is sold smoked or salted.

The 1934 catch of chum salmon by the two leading companies is placed at 201,057 "koku" and of steelhead at 2,700 koku. The "koku" as used in these statistics is an indefinite unit of measurement for which there is no exact equivalent. As applied to chum salmon it is usually equivalent to 60 fish but no information is available on the weight or measurement equivalent for steelhead.

### **Arsenic in Seafoods**

That the arsenic occurring in certain seafoods does not have the toxic properties of inorganic arsenic has been found in a study by E. J. Coulson of the U. S. Bureau of Fisheries and Roe E. Remington and Kenneth M. Lynch of the Medical College of the State of South Carolina, Charleston. They report their results in an article which appeared in the September, 1935, issue of the *Journal of Nutrition*.

In their study experimental animals were fed inorganic arsenic and shrimp high in arsenic content, with the result that during the first three months of the feeding period only 0.7 per cent of the ingested shrimp arsenic accumulated in the bodies of the rats, while more than 18 per cent of the inorganic arsenic was stored. That the arsenic from the shrimp is absorbed from the gastro-intestinal tract is shown by the fact that after the ingestion of the shrimp practically all of the ingested arsenic may be recovered in the urine within a relatively short time, indicating that following the normal process of digestion, the arsenic-containing substance in shrimp yields a soluble and readily diffusible product which is not decomposed in the body and is rapidly eliminated by the kidneys.

### **Artificial Production and Price Control Criticized**

In its final report of a three-year study of the relation between income distribution and economic progress, made public on September

26th, the Brookings Institution reached the conclusion that economic progress must come primarily from the effective distribution of enlarged production output rather than a redistribution of the nation's existing production.

This, the report says, can be achieved satisfactorily only as the fruits of increased efficiency, resulting from technological advance, are passed on to the entire people in lower prices. This method of disseminating technological gains would provide employment for our increasing productive capacity, and would enable the masses to reach progressively higher standards of living.

In a press statement upon the report, the Brookings Institution says, in part:

According to the capitalistic theory, the price-lowering process should operate automatically, but in practice it has been blocked increasingly by artificial obstructions. Within the past 50 years, as industry has tended to "mature," there has arisen a tendency to protect existing business enterprises by protecting the price structure, thus impeding economic progress.

"For more than 50 years this process has been developing through the devices of corporate consolidation, pools, trusts, cartels, trade associations and code authorities. Particularly since the World War, and often with the active assistance of governments, efforts have been going forward to 'stabilize' existing business situations and to underwrite the prosperity of individuals, corporations or large business groups by attempting to stabilize prices. We believe the evidence is clear that such attempts, however well intentioned, are dangerously short-sighted. They result inevitably in 'freezing' situations which in the interest of economic progress must be left as fluid as it is possible to make them."

The report states that government expenditures supported by taxation are extremely limited in their effectiveness as a means of providing increased utilization of productive capacity and raising standards of living, but calls attention to certain fields wherein free governmental services may be expected to expand. Playgrounds, parks, schools and free textbooks are cited as uses to which more tax revenues may be eventually directed. Due to existing financial exigencies, however, it is stated that no great expansion of government activities may be expected for some years.

Efforts of labor to obtain larger real income through pressure for higher wages were found to have benefited only a small part of the population, while affecting other segments adversely. Profit-sharing is suggested in the report as a more satisfactory method of distributing the benefits of increased efficiency, although both are said to be of limited applicability.

A result of pressure to raise wages, the report states, has been to create economic disparity between urban and rural groups. The farm population, failing to obtain lower prices for the manufactured goods it must buy, attempted to force agricultural prices up. Agricultural tariffs developed, and finally the restriction of agricultural output under government leadership. Even though price equilibrium might be established by this method, the report says, it would be at the sacrifice of wealth production.

Profit possibilities would not be impaired by a price-lowering program, the report states, inasmuch as the resulting greater volume of business would make for reduction of unit costs. The history of business enterprise, it is asserted, shows

that when selling prices are reduced progressively as technological improvements are made, profits usually take care of themselves.

In passing, the report calls attention to the impossibility of bettering the lot of the people by "share-the-wealth" movements. Pointing out that most of the nation's wealth is in physical property, which could not be divided equally except by complete socialization, the report emphasizes that such things are wealth only because they produce income. If the entire national income of prosperous 1929 had been divided equally among all families, the report says, each would have received only about \$2,500, and this would have entailed taking from the skilled workers and persons of moderate salaries as well as those receiving large incomes.

[NOTE.—The Brookings Institution, founded by the late Robert S. Brookings, is a non-profit corporation devoted to public service through research and training in the social sciences. Through its studies of economic problems and governmental questions it seeks to play a constructive part in the formation of sound national policies. Its charter provides that it "shall be administered without regard to the special interest of any group in the body politic, whether political, social or economic."]

### **Revival of German Canning Industry**

Exchange restrictions in Germany, which have served to restrict imports of canned products, together with the encouragement by the Government to the use of home-grown products, have notably stimulated the German canning industry in the last two years, according to a report from the American consul at Bremen.

The value of the industry's output increased from 124 million reichsmarks for the fiscal year ended April 30, 1934, to 136 million reichsmarks for the year 1934-35. The increase, general throughout the canning industry, was also notable in the fruit-preserving industry and the manufacture of marmalade, jam and jelly. Increase in these lines reflects a tendency to substitute them for butter, margarine and other fats, the importation of which has been curtailed during the last two years.

Peas, beans, carrots and asparagus comprised approximately 86 per cent of the vegetables consumed by German canneries during the last fiscal year. German canners prefer vegetables of German origin for use in their canning processes, and it is only occasionally that vegetables are imported from neighboring countries.

Production of canned fruit by the German industry increased during 1934-1935 to 27,457,000 cans, an advance of 4 per cent over the preceding period. The increase was due entirely to a 32 per cent increase in the production of canned applesauce, all other classifications showing declines.

Approximately half of the output of German canned vegetables is centered in the State of Braunschweig and the Province of Hannover. The leading areas for the production of canned fruit are Rhine Province, Hesse and the State and Province of Saxony.

**Production and Stocks of Canned Milk**

	1935 Pounds	1934 Pounds	Change Per Cent
Manufacturers' stocks (Case goods, Sept. 1):			
Evaporated (35 firms).....	354,068,930	165,072,006	+ 114.49
Condensed (7 firms).....	18,460,352	17,432,461	+ 5.90
Total production, August:			
Evaporated (34 firms).....	154,158,326	4,331,256	- 6.54
Condensed (7 firms).....	164,945,504	6,470,937	- 33.07

**Fruit and Vegetable Market Competition**

CARLOT SHIPMENTS AS REPORTED BY THE BUREAU OF AGRICULTURAL ECONOMICS,  
DEPARTMENT OF AGRICULTURE

Commodity	Week ending Sept. 21		Week ending Sept. 14		Total for season through Sept. 21	
	1934	1935	1935	1934	1935	1935
<b>Vegetables:</b>						
Beans, snap and lima.....	11	3	1	12,425	9,477	
Tomatoes .....	387	494	330	21,924	20,125	
Green peas.....	173	104	94	5,950	6,531	
Spinach .....	12	6	8	7,742	5,496	
All other vegetables:						
Domestic, competing directly...	2,606	1,782	2,127	58,616	63,485	
Imports, competing indirectly...	36	42	28	110	84	
<b>Fruits:</b>						
Citrus, domestic.....	1,267	1,598	1,714	122,399	143,414	
Imports .....	75	82	94	341	290	
Others, domestic.....	4,180	4,386	4,457	62,524	50,164	

**Spinach Seed Treatment with Red Copper Oxide**

Possible reduction in the rate of seeding spinach for fall planting, together with increased yields, is among the advantages to be secured from treating seed with red copper oxide, according to tests with spinach and other seeds conducted by Dr. J. S. Horsfall of the Geneva Experiment Station and summarized in Bulletin 643 of that institution.

Only red copper oxide dust should be used, according to Dr. Horsfall, and the seed must be completely coated. It is recommended that 3 ounces to each 10 pounds of seed be used. Seed so treated can stand for any reasonable length of time without deteriorating and will not clog the spinach drill.

Copies of the above-mentioned publication may be obtained by addressing the New York Agricultural Experiment Station, Geneva, New York.

**Canned Food Exports in August**

Exports of canned foods in August showed some striking changes from the corresponding month of last year. The following table, from records of the Department of Commerce, gives the figures for individual products for which separate statistics are compiled:

Articles	August, 1934		August, 1935	
	Pounds	Value	Pounds	Value
Canned meats, total.....	1,389,716	\$457,319	884,412	\$330,431
Beef .....	147,398	46,520	124,176	43,362
Pork .....	988,184	353,987	666,006	262,670
Sausage .....	135,266	37,966	58,865	17,043
Other .....	118,868	18,846	35,365	7,356
Canned vegetables, total.....	2,900,629	312,373	2,380,516	246,679
Asparagus .....	1,759,339	211,090	1,229,701	159,634
Baked beans, and pork and beans .....	160,233	13,380	371,659	22,673
Corn .....	127,926	9,433	77,095	5,753
Peas .....	461,497	41,029	200,583	16,219
Soups .....	128,156	14,421	204,276	20,088
Tomatoes .....	88,328	6,370	76,301	5,655
Other .....	176,050	15,741	220,901	16,657
Condensed milk.....	985,348	134,112	242,487	26,218
Evaporated milk.....	5,065,991	317,901	1,581,668	114,068
Canned fruits, total.....	47,380,613	3,620,157	18,660,131	1,417,669
Apples and applesauce.....	1,079,621	38,974	1,588,835	70,952
Apricots .....	2,071,959	173,846	3,776,473	292,904
Berries, other.....	141,988	13,372	118,140	16,259
Cherries .....	232,729	24,644	278,814	22,704
Fruits for salad.....	6,147,844	445,101	2,349,330	254,813
Grapefruit .....	374,593	26,800	1,903,861	120,135
Loganberries .....	1,300,172	91,343	372,140	31,570
Peaches .....	16,019,560	1,071,001	4,827,296	334,131
Pears .....	16,513,150	1,244,663	404,489	32,929
Pineapple .....	2,971,101	257,978	2,901,830	226,937
Prunes .....	59,672	5,879	31,315	2,474
Other .....	408,125	35,498	115,908	17,861
Canned fish, total.....	8,172,618	900,972	5,169,304	650,084
Mackerel .....	318,009	15,697	78,149	4,061
Salmon .....	5,118,922	693,942	2,909,918	511,429
Sardines .....	2,330,227	135,911	2,039,405	112,333
Shellfish .....	267,244	37,934	99,339	15,496
Other .....	138,210	17,488	42,493	6,774

## Weather Conditions

District	Week ended Sept. 17, 1935		Week ended Sept. 24, 1935		Week ended Sept. 25, 1934	
	Temp.	Rain	Temp.	Rain	Temp.	Rain
Maine .....	57	1.6	60	.0	64	.9
Western New York.....	56	.5	61	.5	65	.5
Tri-States .....	68	.0	70	.0	71	.3
South Central Ohio.....	67	.0	72	.5	71	.8
Central Indiana .....	71	.0	74	.0	68	.0
Central Illinois.....	72	.0	72	.3	64	.6
Northern Illinois, Southern Wisconsin.....	67	.2	68	.6	60	1.4
Southern Minnesota.....	67	.0	69	.8	55	2.3
Northern Colorado.....	71	.0	71	.0	59	2.1
Northern Utah.....	74	.0	72	.1	61	3.6
Northwestern Washington.....	61	2.7	60	.2	61	.7
Southeastern Washington.....	68	.1	68	.0	53	.8

## New York Cannery Convention Date

In the list of convention dates of state cannery associations appearing in last week's INFORMATION LETTER an error occurred in the date



for the Association of New York State Canners. As announced in the INFORMATION LETTER of September 14th, the New York canners will hold their meeting on December 12th and 13th. In preparing the list for the INFORMATION LETTER for September 21st the date was incorrectly changed to December 11th and 12th.

### **Complaint Filed Against Food Firms**

Charging misrepresentations in the sale of a food product, the Federal Trade Commission has issued a complaint against Chicago firms which are alleged to have promoted the sale of their product by advertising that "each package makes five glasses of pure fruit jelly in 5 minutes," with "nothing to add but sugar and water."

The complaint alleges that the representations that a package would make "five glasses of pure fruit jelly" and that it contains "genuine true fruit flavor," are false and misleading because, according to the complaint, the product is not made of pure fruit and would not make pure fruit jelly, nor is it flavored with true fruit flavors or the juices of pure fruits.

### **Spray Residue Removal Discussed in New Bulletin**

Practical information on how accumulations of spray materials may be economically removed from apples and other fruits, thus not only meeting health requirements but also improving the appearance of the fruit without injuring its keeping quality, is given in Farmers' Bulletin 1752-F, "Spray Residue Removal from Apples and Other Fruits," just published by the U. S. Department of Agriculture.

Factors influencing the effectiveness of hydrochloric acid and sodium silicate solutions under different conditions and with various types of washing machinery are discussed by pomologists of the Bureau of Plant Industry from the viewpoint of the small grower as well as the large grower and also from the viewpoint of growers in both eastern and western producing sections. The bulletin gives the kinds of solutions most suitable for removal of various types of spray residues. Methods of heating the solutions are described and the temperatures that may safely be used are discussed. Directions are also given for testing the concentrations of washing solutions in order to maintain them at effective concentrations.

The bulletin emphasizes the necessity of thorough rinsing and careful handling of apples and frequent changing of the washing solution in safeguarding the fruit against possible injury.

The bulletin also describes methods used for cleaning peaches and washing pears, cherries, grapes and currants. Copies of the bulletin may be obtained from the Superintendent of Documents, Washington, D. C., at 5 cents each.

### World Economic Review Published

The Bureau of Foreign and Domestic Commerce has recently issued "World Economic Review: 1934," a publication of 350 pages in two parts. Part 1 deals with the United States and Part 2 with foreign countries. Among the factors discussed are: Commodity prices, finance, employment and payrolls, agriculture, manufacturing and mining, electric light and power, construction, transportation and communications, domestic trade, and foreign trade. The book is available from the Superintendent of Documents, Washington, D. C., and from District Offices of the Bureau of Foreign and Domestic Commerce for 30 cents.

### Mayor and Police Both Have Doubts

The mayor of New York City did some investigating himself in connection with a recent case of food poisoning ascribed by the family that was stricken to the eating of canned veal provided by relief agencies. The mayor is reported by the *New York Sun* as saying:

"If it's the canned beef they're talking about, I have a sample of it here. I sent it to the Board of Health and the analysis shows it is absolutely pure. I heated some of it myself and ate it here. It's wholesome food."

It was in connection with this case that the *New York Herald-Tribune* in reporting on a Friday that the family claimed their illness was due to eating relief veal, stated: "Police who found a frying pan filled with congealed and noisome roast beef which had been standing on a table since Tuesday, were not so sure."

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